

SUBCHAPTER F—LIABILITY

PART 4061—AMOUNTS PAYABLE BY THE PENSION BENEFIT GUARANTY CORPORATION

AUTHORITY: 29 U.S.C. 1302(b)(3).

SOURCE: 61 FR 34079, July 1, 1996, unless otherwise noted.

§ 4061.1 Cross-references.

See part 4022 of this chapter regarding benefits payable under terminated single-employer plans and §4281.47 of this chapter regarding financial assistance to pay benefits under insolvent multiemployer plans.

PART 4062—LIABILITY FOR TERMINATION OF SINGLE-EMPLOYER PLANS

Sec.

4062.1 Purpose and scope.

4062.2 Definitions.

4062.3 Amount and payment of section 4062(b) liability.

4062.4 Determinations of net worth and collective net worth.

4062.5 Net worth record date.

4062.6 Net worth notification and information.

4062.7 Calculating interest on liability and refunds of overpayments.

4062.8 Arrangements for satisfying liability.

4062.9 Method and date of filing; where to file.

4062.10 Computation of time.

AUTHORITY: 29 U.S.C. 1302(b)(3), 1362-1364, 1367, 1368.

SOURCE: 61 FR 34079, July 1, 1996, unless otherwise noted.

§ 4062.1 Purpose and scope.

The purpose of this part is to set forth rules for determination and payment of the liability incurred, under section 4062(b) of ERISA, upon termination of any single-employer plan and, to the extent appropriate, determination of the liability incurred with respect to multiple employer plans under sections 4063 and 4064 of ERISA. The provisions of this part regarding the amount of liability to the PBGC that is incurred upon termination of a single-employer plan apply with re-

spect to a plan for which a notice of intent to terminate under section 4041(c) of ERISA is issued or proceedings to terminate under section 4042 of ERISA are instituted after December 17, 1987. Those provisions also apply, to the extent described in paragraph (a) of this section, to the amount of liability for withdrawal from a multiple employer plan after that date.

§ 4062.2 Definitions.

The following terms are defined in §4001.2 of this chapter: benefit liabilities, Code, contributing sponsor, controlled group, ERISA, fair market value, guaranteed benefit, multiple employer plan, notice of intent to terminate, PBGC, person, plan, plan administrator, proposed termination date, single-employer plan, and termination date.

In addition, for purposes of this part, the term *collective net worth of persons subject to liability in connection with a plan termination* means the sum of the individual net worths of all persons that have individual net worths which are greater than zero and that (as of the termination date) are contributing sponsors of the terminated plan or members of their controlled groups, as determined in accordance with section 4062(d)(1) of ERISA and §4062.4 of this part.

§ 4062.3 Amount and payment of section 4062(b) liability.

(a) *Amount of liability*—(1) *General rule*. Except as provided in paragraph (a)(2) of this section, the amount of section 4062(b) liability is the total amount (as of the termination date) of the unfunded benefit liabilities (within the meaning of section 4001(a)(18) of ERISA) to all participants and beneficiaries under the plan, together with interest calculated from the termination date in accordance with §4062.7.

(2) *Special rule in case of subsequent finding of inability to pay guaranteed benefits*. In any distress termination proceeding under section 4041(c) of ERISA and part 4041 of this chapter in which (as described in section